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RUEHSG/AMEMBASSY SANTIAGO 0758
RUEAIIA/CIA WASHDC
RHMFIUU/CDR USSOUTHCOM MIAMI FL
RUEABND/DEA HQS WASHDC
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SIPDIS

SENSITIVE SIPDIS

E.O. 12958: N/A

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SUBJECT: CRACKS APPEAR IN HUMALA'S BASE IN AYACUCHO

REF: A. LIMA 2743

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Sensitive But Unclassified, Please Handle Accordingly.

Summary:

11. (SBU) Ayacucho voters overwhelmingly supported radical opposition leader and former presidential candidate Ollanta Humala in the recent 6/4 presidential runoff. However, Humala will have trouble transferring this support to candidates he favors in November's regional and municipal elections. Radical groups that coalesced behind him during the presidential campaign have divided and are offering their own candidates. While this hurts Humala, it also presents challenges for the Garcia government, which will need effective local partners to promote successful development programs. Ayacucho's anti-establishment mood extends to the Peru Trade Promotion Agreement (PTPA), which many local farmers oppose without knowing its provisions. building democracy in Ayacucho will require strengthening political parties and other consensus-building mechanisms to enhance governability in this impoverished, highly

End Summary.

12. (U) Poloff met with local leaders in Ayacucho on 7/12-13 to assess the region's political landscape. Local interlocutors included: Omar Quesada, Ayacucho Regional President; Gerardo Ludena, Mayor of Ayacucho; Rigoberto Garcia, leader of the Ayacucho Regional Front (FRA), Clelia Galvez de Verbist, Director of the Ayacucho Center for Competitiveness; Hernan Paz, Director of the Poverty Reduction and Alleviation Program in Ayacucho; Monsenor Luis Sebastiani, Archbishop of Ayacucho; Victor Belleza, Ayacucho Coordinator for World Vision, Jeffrey Gamarra, sociologist at the University of Huamanga; Mario Cueto, journalist and correspondent for Radio Programs of Peru; and Aguida Valverde and Marco Juscamayta from local newspaper "la Voz de Huamanga."

marginalized, and politically volatile region.

Why Humala took 83% in Ayacucho

presidential candidate Ollanta Humala in the recent presidential races. Humala scored 62 percent in the first round (4/9) and 83 percent in second round (6/4), tallies that far outstripped his showings in other areas. Humala's anti-system message resonated in Ayacucho, where the poverty level is 73 percent and extreme poverty level is 45 percent, both well above national averages. Ayacucho also remains scarred by the internal war against Sendero Luminoso (SL). Interlocutors said Ayacuchanos believe the state owes them a social debt and communities are still waiting for compensation. For Ayacuchanos the state, at best, is seen as neglectful. For some, particularly cocaleros, it is also perceived as the enemy. The Apurimac and Ene River Valley (VRAE) in Ayacucho is a major zone of illegal coca production.

Regional and Municipal Elections - Fragmented Politics

- 14. (SBU) Observers agreed that Humala's support in the recent presidential contest is not/not transferable to pro-Humala candidates in November's regional and municipal elections. The panoply of leftist movements that rallied behind Humala have again split and are now jockeying for position, forming alliances and seeking their own candidates for November. In addition, Humala's own Peruvian Nationalist Party (PNP) has split from its coalition partner, the Union for Peru (UPP), and both are expected to run separate candidates. Much is at stake for Humala in Ayacucho, given his dominance in recent national elections. If his party does not win, he will be further weakened politically.
- 16. (SBU) Political fragmentation extends to other parties and E movements, all of which will likely offer candidates in November. APRA now controls both the Ayacucho Regional Presidency and the Mayorship of the city. Both incumbents, however, have been discredited by corruption allegations. The pro-Fujimori party Alianza para el Futuro has a significant political presence. Another group, the Ayacucho Regional Front (FRA), enjoys a local support base. (Contacts tied the FRA to both SL and to violent protests.) Finally, cocalero leader Nelson Palomino, released from jail on 6/6 after completing a third of his 10-year sentence for kidnapping, burglary, and other crimes, has formed a regional pro-coca political movement called Kuska Peru (KP). (Quechua for "Together for Peru.") Palomino is expected to cut into Humala's cocalero support, but his presence adds another wild card to Ayacucho's already hyperactive political scene. (Palomino is as yet ineligible for office because of his crimes. Further on cocalero politics septel.)
- 17. (SBU) University of Huamanga Sociologist Jeffrey Gamarra attributed the "excessive fragmentation" of Ayacucho politics to weak political parties and to the personality- and patronage-driven nature of the region's organizations. The need, Gamarra maintained, was to "democratize the democracy" that exists in Ayacucho by strengthening key local parties. There are too many competitors in local elections, guaranteeing a constantly divided field that denies winners governing majorities. The 2002 election featured 12 candidates for regional president and 18 candidates for mayor. APRA won both contests, with 23 percent for the Regional Presidency and 15 percent for the Mayor, percentages far too low to offer winners a mandate to govern.

The Shadow of Sendero/Anti-Americanism

18. (SBU) Eager to take advantage of the fragmentation of the above-ground political actors is SL. Local contacts said that SL remained defeated militarily, but retained a political and ideological presence in Ayacucho and was working to rebuild its civil society networks in universities and in other institutions.

19. (SBU) Anti-Americanism is also a problem in Ayacucho. U.S. counter-narcotics programs, misrepresented by local opponents, generate some of the hostility. Many local agricultural leaders oppose an FTA with the US even as they support similar agreements with other potential trading partners (e.g., E.U., China) that have higher subsidies. Contacts acknowledged that if the PTPA along with President Garcia's plans to promote agricultural exports succeeded in improving local opportunities, then anti-government, anti-US feelings could moderate. This will be difficult, however, since many of the angry Ayacuchanos are subsistence farmers with low technology, low levels of education and a strong reluctance to change their ways.

Comment:

- 110. (SBU) Ayacucho is a case study in the tendency of a marginalized Peruvian population to adopt an almost instinctive oppositional approach to any perceived authority, either from Lima or the U.S. This expresses itself in voting for Peru's perennial "outsider" candidates. Ayacucho voters heavily favored previous "outsiders" Alberto Fujimori (1990) and Alejandro Toledo (2001) in recent elections. Given Humala's high numbers in the recent 6/4 runoff, the regional and municipal elections constitute an important test for him. So far, his prospects are far from certain. In Ayacucho's highly divided political atmosphere, we do not discount the possibility that a pro-Humala candidate could squeak in. Even this result, however, would not repeat Humala's recent landslide wins in the presidential race. Local politics is simply too fragmented for that.
- 111. (SBU) Ayacucho has everything to gain and little to lose with the PTPA. Despite GOP and Post efforts on outreach, there is a widespread misunderstanding of the agreement. The PTPA has become a scapegoat for Ayacucho's continuing problems and a continued rallying point for leftist, radical groups.
- 112. (SBU) Longer term, Ayacucho needs assistance in developing stronger, more participatory political parties that can generate consensus. Ayacucho's citizens are politically active, but they work through an array of weak parties and personalized mini-movements that do not generate sufficient consensus to ensure post-election governability at either the regional or the municipal level. Even without big victories by pro-Humala candidates in November, the Garcia government faces significant challenges in the south. STRUBLE